

0446428



New Democrat Coalition

Rep. Joseph Crowley, Chair
Rep. Jim Himes, Vice-Chair
Rep. Ron Kind, Vice-Chair
Rep. Rick Larsen, Vice-Chair
Rep. Allyson Schwartz, Vice-Chair

May 10, 2011

The Honorable Hilda Solis
Secretary
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

The Honorable Mary L. Schapiro
Chairman
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

The Honorable Gary Gensler
Chairman
U.S. Commodity Futures Trading Commission
1155 21st Street, NW
Washington DC 20581

Dear Secretary Solis and Chairmen Schapiro and Gensler:

As members of the New Democrat Coalition, we are writing today with respect to the Department of Labor's proposal to redefine the term "fiduciary" for purposes of the Employee Retirement Income Security Act of 1974 ("ERISA") and for purposes of certain Internal Revenue Code provisions affecting IRAs and similar arrangements.

During debate of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the New Democrat Coalition played a critical role in advocating for an approach that would reduce systemic risk and increase transparency and certainty in our markets. Given our work, we understand and appreciate the Department's desire to update the definition of a fiduciary in a way that is broad enough to protect the interests of retirement plan participants and sponsors seeking investment advice. While the proposed rule is intended to protect employee participants and plan sponsors from unfair and deceptive practices, we are concerned that it would have an adverse effect; ultimately limiting access to investment education and information. This would result in worse investment decisions by participants and would, in turn, increase the costs of investment products, services, and advice that are absolutely critical parts of a sound investment strategy for consumers.

We also feel strongly that these changes should be made in consultation and coordination with all the relevant regulators to avoid duplicative or contradictory guidelines governing investment in U.S. markets. A coordinated regulatory approach among the agencies will provide clarity and certainty both to investors and to advisers.

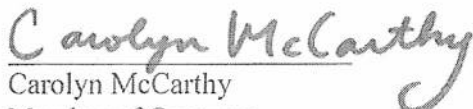
Given the complexity and importance of this issue, over 200 written submissions have been made regarding the proposed rule, in addition to those made at the Department's public

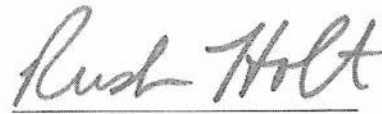
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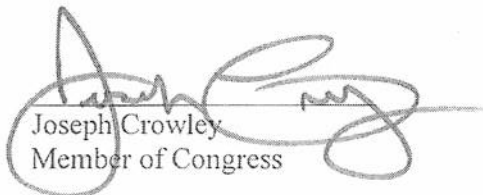
hearing. We understand the Department is considering modifications. In order to consider fully these comments and to provide more transparency and certainty to the rulemaking process, we urge the Department to provide the public with an opportunity to review these modifications through a re-proposed rule.

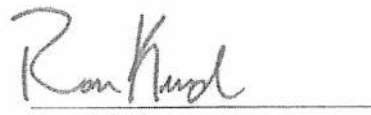
We appreciate the Department's leadership on this issue. We look forward to working with you in coordination with other agencies to create a balanced approach that protects plan participants and sponsors while ensuring continued access to investment education, information, and affordable investment products and services.

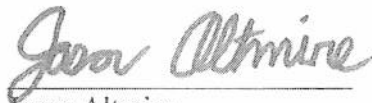
Sincerely,

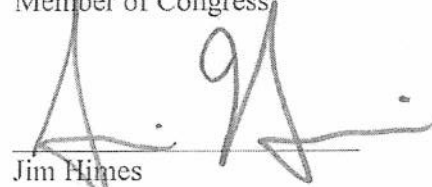

Carolyn McCarthy
Member of Congress

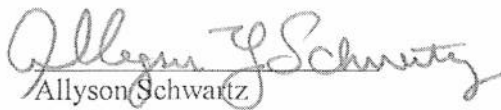

Rush Holt
Member of Congress

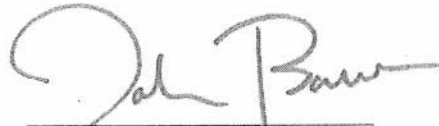

Joseph Crowley
Member of Congress

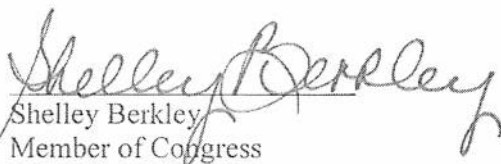

Ron Kind
Member of Congress

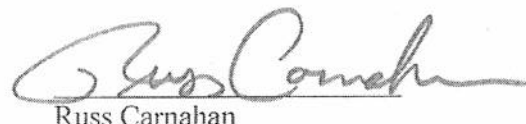

Jason Altmire
Member of Congress

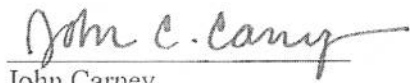

Jim Himes
Member of Congress


Allyson Schwartz
Member of Congress

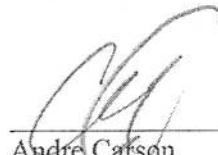

John Barrow
Member of Congress


Shelley Berkley
Member of Congress

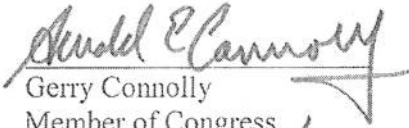

Russ Carnahan
Member of Congress



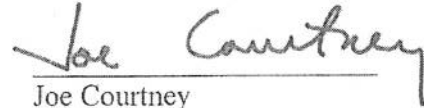
John Carney
Member of Congress



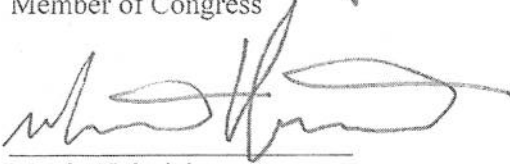
Andre Carson
Member of Congress



Gerry Connolly
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Joe Courtney
Member of Congress



Martin Heinrich
Member of Congress



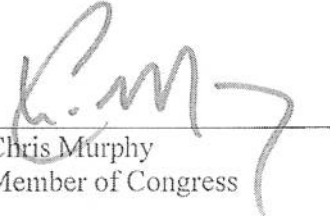
Rick Larsen
Member of Congress



Gregory Meeks
Member of Congress



Jim Moran
Member of Congress



Chris Murphy
Member of Congress



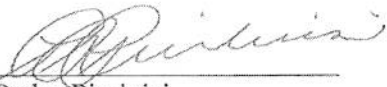
Bill Owens
Member of Congress



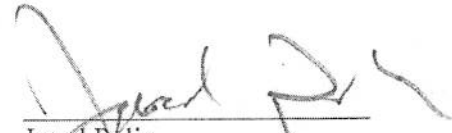
Ed Perlmutter
Member of Congress



Gary Peters
Member of Congress



Pedro Pierluisi
Member of Congress



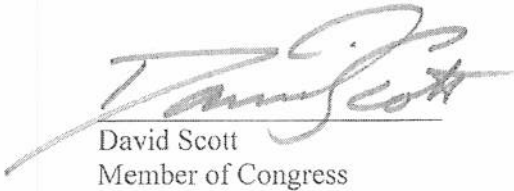
Jared Polis
Member of Congress




Laura Richardson
Member of Congress




Cedric Richmond
Member of Congress



David Scott
Member of Congress



Terri Sewell
Member of Congress



David Wu
Member of Congress

CC: Director Jack Lew, Office of Management and Budget